

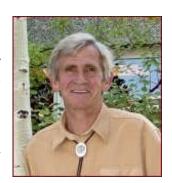
epartment of Labor and Industry

Commissioner's Office

Dear Colleagues and Fellow Montanans,

The 2006 Workers' Compensation Annual Report has been prepared for the Governor, the legislature and the stakeholders in Montana's workers' compensation system to provide an overview of system activities in Montana. I am pleased to present this year's report.

It has been a busy and productive year for stakeholders in the Montana workers' compensation system. Some of the more significant activities were the Workers' Compensation Study Project, creation of the Workers'



Compensation Labor Management Advisory Council, completion of an administrative inventory by the Workers' Compensation Research Institute (WCRI), and passage of numerous laws related to workers' compensation by the 2007 Montana Legislature.

As a follow-up to last year's efforts, the Department assembled a Workers' Compensation Labor Management Advisory Council to address continued improvement of our workers' compensation system and to make Montana more inviting to business. In particular, the Council will focus on key areas identified by the Workers' Compensation Study project: injury prevention, medical fee schedules, utilization and treatment guidelines, early return to work programs and equitable claims settlements. In the coming year, the Department and the Council will:

- Develop and begin implementation of new medical fee schedules and treatment and utilization guidelines to improve service to workers, employers and other system stakeholders:
- Consider a state-wide safety initiative to highlight the dramatic need for injury prevention and the associated benefits to the workers, businesses and workers' compensation system via better health, increased productivity and lowered costs;
- Identify methods to help workers return to work as quickly as possible after an injury; and
- Research claim closures in Montana.

These efforts are just a few examples of the Department's commitment to strive for continuous improvement in the workers' compensation system and make Montana a better place for its workers and the business community.

Sincerely.

Commissioner